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Ohio railroad or the state-operated roads of Prussia, or perhaps on his own railroad. The legal scholar and writer is evident in the nice vocabulary, and terse, forceful periods. These crisp, telling sentences are fired at one as from a gatling gun, and with the precision of a sharp-shooter. They hit the bull's-eye every time.

The author subdivides his subject into ten chapters. The first four describe the evolution of rates—the principles underlying them as a toll and as a charge for carriage; the limitations set to rates on the one hand by the ability of the public to pay, and on the other hand by the ability of the carrier to conduct its business on its revenues; the elements contributing to the making of rates; and finally the function of classification and tariffs. After this thorough discussion of fundamental principles he devotes two chapters to the subjects of discrimination, competition, and combination.

Then follows a historical résumé of the movement of rates from the time of the civil war down to the present, and a comparison of American railroad rates with those in foreign countries. The ninth chapter concerns itself with an account of State regulation of rates, while the concluding chapter has for its theme the all-absorbing question of Federal Regulation.

Like an able general Judge Noyes brings up all his reserves for the final onslaught. From each of the other nine chapters he seems to have been surveying the field of this final one. In each he has marshalled a little regiment of facts and principles which stubbornly resisted all attack. At the end he summons a legion that sweeps all opposition before it in a complete rout. This last is decidedly the best chapter in the volume, and its dissection and criticism of the federal legislation espoused by the embryo Solons of the Lower House are as convincing as they are merciless. It is to be regretted that so many of our congressional representatives are so much engaged as to be unable to study this single chapter. Every reader will deplore the fact that the widows and toilers, whose savings are invested in railroad securities through the medium of the savings banks, cannot also read and ponder it well. It is quite as regrettable that the few of the more arrogant railroad magnates cannot be induced to read this entire treatise. If they could, they would surely realize that their stewardship of such investments demanded of them a statesmanlike attitude beyond that of blind opposition to all change and rather in the direction of an acquiescence in some conservative measure.

The pages on rate-making are a most successful effort at an analysis of a subject scarcely susceptible of analysis. Not one traffic manager in ten, the country over, can state his reasons for making given rates. The writer seems to have syndicated the aggregate knowledge of this "submerged tenth" and to have marshalled it in orderly array.

The weak links in the chain are the eighth and ninth chapters, in which an entirely unsuccessful attempt at condensation has been made. The book would actually be the better and stronger if they had been omitted.

GOVERNMENT REGULATION OF RAILWAY RATES. By Hugo R. Meyer. New York: The Macmillan Co. 1905. pp. xxvii, 486.

The problem of public regulation of railway rates is threefold, according to Hugo R. Meyer, Professor of Political Economy at the University of Chicago, and the author of "Government Regulation of Railway Rates." It involves, first, the question of private discrimination by means of secret departure from the published rates; secondly, the question of the reasonableness of rates *per se*; and lastly the question of the relative reasonableness of rates. Mr. Meyer disposes of the first two by briefly stating that the railroads could as easily depart secretly from the rates fixed by the Commission as they could from rates fixed by themselves, and that the Interstate Commerce Commission itself admits that rates unreasonable *per se* practically do not exist. The whole book is practically devoted to the question of relative unreasonableness of rates and whether Congress is justified in solving that problem by conferring upon a Commission the power to make rates for the railroads.

Basing his judgment on the past decisions of the Interstate Commerce Commission, Mr. Meyer sees grave danger in increasing the powers of that body. If the Commission, when its powers are increased, shall maintain the same attitude towards American railroad rate practices as it has done in the past, American railroading will be paralyzed, is the judgment of Mr. Meyer. To support his view he cites several American railroad rate practices and then outlines the Commission's recorded attitude towards them.

His first example is that of export and import rates. Since early in the seventies the railways of the United States have made materially lower rates to the Atlantic seaboard on grain, flour, bacon, and similar products, when destined for export, than when destined for domestic consumption. After showing that this discrimination in favor of exports has been of inestimable value to the American farmer, Mr. Meyer quotes the order of the Commission "that the several defendants cease and desist from unjustly discriminating in their rates and charges for inland transportation, between traffic consigned on through bills to foreign ports from interior points, and like traffic consigned to the seaboard." This decision of the Commission raised a storm of protest from the Western millers and farmers and had not the order been virtually set aside by the Supreme Court, a serious conflict of sectional interests would have been precipitated.

The second rate practice of the railroads that has been of great benefit to the American people as a whole and which has been condemned by the Commission, is that of discrimination in favor of imports destined for the interior of the country. It is pointed out that this practice which has done so much in building up our seaboard cities from Boston to New Orleans, as ports of export and import, was condemned by the Commission in an order providing, among other things, that "imported traffic transported to any place in the United States from a port of entry or place of reception, . . . is required to be taken on the inland tariff governing other freights,—that is, governing freights originating on the Atlantic seaboard."

The Supreme Court of the United States (Texas Pacific Railroad Company *vs.* The Interstate Commerce Commission) reversed the order.

These decisions of the Commission have led Mr. Meyer to conclude: "One of the most characteristic things about the Interstate Commerce Commission has been that it has repeatedly condemned great American rate practices without adequate inquiry into the part played by those practices in the development of the resources, the trade, and the industry of our country. It has rendered decisions and issued orders that in effect were national acts of legislation, and that would have destroyed great branches of established trades, when those decisions and orders were founded on nothing more than some fantastic theory invented for the occasion and in conflict with the established law of our country and the genius of our institutions."

The only rate practice of American railroads that has been approved by the Commission is that of port differentials. Mr. Meyer comments on the Commission's decision in this case as follows: "In the single instance in which the Commission judged an American rate practice on the principle that the public interest demanded that competition between rival markets and producing centers be promoted, not thwarted, the Commission was compelled to abandon the doctrine that railway rates must be based on cost of service, and was obliged to confess that it could find no 'fundamental principle by the application of which might be laid at rest' the disputes between rival producing and distributing centers. The Commission was obliged to confess that competition alone could do no more than see to it that competitive forces of trade and transportation were made with intelligence and in good faith."

In summing up the results that would follow from bestowing the power of fixing railway rates upon a Commission, Mr. Meyer says: "It is obvious that such power over railway rates would give the Commission precisely the same power to check or promote the trade and the industry of the several sections of the United States as would be conferred on the Commission by a law empowering that body to establish at its pleasure anywhere within the United States protective tariff duties, such as the several colonies habitually established before the formation of the United States. It is still more obvious that Congress never would enter directly upon the policy of regulating the commerce among the several states, by thus establishing custom barriers between the several states. The power that Congress, for reasons of public policy, would not exercise in its own right should not be bestowed upon an administration bureau, the Interstate Commerce Commission."

#### REVIEWS TO FOLLOW :

A TREATISE ON THE LAW OF AGENCY. By W. L. Clark and H. H. Skyles. Two vols. St. Paul: Keefe-Davidson Co. 1905. pp. liv, 2178.

FRENCH LAW OF EVIDENCE. By O. E. Bodington. London: Stevens & Sons. 1904. pp. viii, 199.

STREET RAILWAY REPORTS. Vol. II. Edited by Frank B. Gilbert, Albany: Matthew Bender & Co. 1904. pp. xix, 1051.

CURRENT LAW. George Foster Longsdorf, Editor in Chief. St. Paul: Keefe-Davidson Co. 1904. pp. Vol. I, x, 1208; Vol. II, xviii, 2195.